

In re: HMOB of Hackensack Office Owner, LLC  
DebtorCase No. 20-12555  
Reporting Period: May 1, 2021 - May 31, 2021**MONTHLY OPERATING REPORT**

File with Court and submit copy to United States Trustee within 20 days after end of month.

Submit copy of report to any official committee appointed in the case.

REQUIRED DOCUMENTS	Form No.	Document Attached	Explanation Attached	Affidavit/Supplement Attached
Schedule of Cash Receipts and Disbursements	MOR-1		See Footnotes Below	
Bank Reconciliation (or copies of debtor's bank reconciliations)	MOR-1a		See Footnotes Below	
Schedule of Professional Fees Paid	MOR-1b		See Footnotes Below	
Copies of bank statements			See Footnotes Below	
Cash disbursements journals			See Footnotes Below	
Statement of Operations	MOR-2		See Footnotes Below	
Balance Sheet	MOR-3	X		
Status of Postpetition Taxes	MOR-4		See Footnotes Below	
Copies of IRS Form 6123 or payment receipt			See Footnotes Below	
Copies of tax returns filed during reporting period			See Footnotes Below	
Summary of Unpaid Postpetition Debts	MOR-4		See Footnotes Below	
Listing of aged accounts payable	MOR-4		See Footnotes Below	
Accounts Receivable Reconciliation and Aging	MOR-5		See Footnotes Below	
Debtor Questionnaire	MOR-5	X		

I declare under penalty of perjury (28 U.S.C. Section 1746) that this report and the attached documents are true and correct to the best of my knowledge and belief.

\_\_\_\_\_  
Signature of Debtor\_\_\_\_\_  
Date\_\_\_\_\_  
Signature of Joint Debtor\_\_\_\_\_  
Date\_\_\_\_\_  
/s/ John H. Hajjar, MD\_\_\_\_\_  
August 30, 2021\_\_\_\_\_  
Signature of Authorized Individual\*\_\_\_\_\_  
Date\_\_\_\_\_  
John H. Hajjar, MD\_\_\_\_\_  
Printed Name of Authorized Individual\_\_\_\_\_  
Title of Authorized Individual

\*Authorized individual must be an officer, director or shareholder if debtor is a corporation; a partner if debtor is a partnership; a manager or member if debtor is a limited liability company.

## Footnotes:

\* "HMOB of Hackensack Office Owner, LLC" (the "Debtor") and twenty five other Hajjar related entities (the Debtors") filed for bankruptcy on February 13 and February 14, 2020. The Debtors have been allocated into two Debtors groups, the Owner Debtors and the Operating Debtors. "HMOB of Hackensack Office Owner, LLC" is considered one of the Owner Debtors.

\* "HMOB of Hackensack Office Owner, LLC" maintains no separate individual bank accounts.

\* The Schedules of Assets and Liabilities and Statement of Financial Affairs filed by the Debtor reflected the real property owned by the Debtor at the petition date and a Cross-Collateralized loan related to the Debtors of \$81,000,000. For operating report purposes, the amount reflected for the property owned by the Debtor at the petition date will be the amount reflected within the schedules filed by the Debtor. For all the Owner Debtors the total amount of the collateralized loan will be reflected on each of the Owner Debtors' operating reports. At the point in time a property is sold the Debtors and the Lender will agreed upon an allocation of the loan to the specific Debtors. The difference between the Debtors assets and liabilities at the petition date will be reflected as Retained Earnings – Pre-Petition.

\* All revenues and expenses related to "HMOB of Hackensack Office Owner, LLC" will be reflected by "Hajjar Medical Office Building of Hackensack, LLC", the corresponding Operating Debtor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

\* The Debtor maintains no employees.

\* Professional Fees will be accrued for as a consolidated amount on the operating entity, operating report of Hajjar Business Holdings, LLC. The total fees outstanding for McManimon Scotland & Baumann, LLC and EisnerAmper, LLP as of May 31, 2021, were \$415,086 and \$225,664 respectively.

In re: HMOB of Hackensack Office Owner, LLC  
DebtorCase No. 20-12555  
Reporting Period: May 1, 2021 - May 31, 2021**SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS**

Amounts reported should be per the debtor's books, not the bank statement. The beginning cash should be the ending cash from the prior month or, if this is the first report, the amount should be the balance on the date the petition was filed. The amounts reported in the "CURRENT MONTH - ACTUAL" column must equal the sum of the four bank account columns. The amounts reported in the "PROJECTED" columns should be taken from the SMALL BUSINESS INITIAL REPORT (FORM IR-1). Attach copies of the bank statements and the cash disbursements journal. The total disbursements listed in the disbursements journal must equal the total disbursements reported on this page. A bank reconciliation must be attached for each account. [See MOR-1 (CONT)]

	BANK ACCOUNTS				CURRENT MONTH		CUMULATIVE FILING TO DATE	
	OPER.	PAYROLL	TAX	OTHER	ACTUAL	PROJECTED	ACTUAL	PROJECTED
<b>CASH BEGINNING OF MONTH</b>								
<b>RECEIPTS</b>								
CASH SALES								
ACCOUNTS RECEIVABLE								
LOANS AND ADVANCES								
SALE OF ASSETS								
OTHER (ATTACH LIST)								
TRANSFERS (FROM DIP ACCTS)								
<b>TOTAL RECEIPTS</b>								
<b>DISBURSEMENTS</b>								
NET PAYROLL								
PAYROLL TAXES								
SALES, USE, & OTHER TAXES								
INVENTORY PURCHASES								
SECURED/ RENTAL/ LEASES								
INSURANCE								
ADMINISTRATIVE								
SELLING								
OTHER (ATTACH LIST)								
OWNER DRAW *								
TRANSFERS (TO DIP ACCTS)								
PROFESSIONAL FEES								
U.S. TRUSTEE QUARTERLY FEES								
COURT COSTS								
<b>TOTAL DISBURSEMENTS</b>								
<b>NET CASH FLOW</b>								
(RECEIPTS LESS DISBURSEMENTS)								
<b>CASH - END OF MONTH</b>								

\* COMPENSATION TO SOLE PROPRIETORS FOR SERVICES RENDERED TO BANKRUPTCY ESTATE

**THE FOLLOWING SECTION MUST BE COMPLETED**

<b>DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES: (FROM CURRENT MONTH ACTUAL COLUMN)</b>	
<b>TOTAL DISBURSEMENTS</b>	<b>\$</b>
LESS: TRANSFERS TO DEBTOR IN POSSESSION ACCOUNTS	<b>\$</b>
PLUS: ESTATE DISBURSEMENTS MADE BY OUTSIDE SOURCES (i.e. from escrow accounts)	<b>\$</b>
<b>TOTAL DISBURSEMENTS FOR CALCULATING U.S. TRUSTEE QUARTERLY FEES</b>	<b>\$</b>

Footnote:

\* "HMOB of Hackensack Office Owner, LLC" maintains no separate individual bank accounts.

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## Continuation Sheet for MOR-1

A bank reconciliation must be included for each bank account. The debtor's bank reconciliation may be substituted for this page.

Footnote:

\* "HMOB of Hackensack Office Owner, LLC" maintains no separate individual bank accounts.

In re: HMOB of Hackensack Office Owner, LLC  
DebtorCase No. 20-12555Reporting Period: May 1, 2021 - May 31, 2021**SCHEDULE OF PROFESSIONAL FEES AND EXPENSES PAID**

This schedule is to include all retained professional payments from case inception to current month.

Payee	Period Covered	Amount Approved	Payor	Check		Amount Paid		Year-To-Date	
				Number	Date	Fees	Expenses	Fees	Expenses
McManimon, Scotland & Baumann, LLC	2/13/2020 - 9/30/2020	341,634	Retainer applied			208,674	10,097	208,674	10,097
McManimon, Scotland & Baumann, LLC	2/13/2020 - 9/30/2020	0	Sale of Wayne Property			100,000	0	100,000	0
Eisneramper	5/31/2020	49,186	Sale of Wayne Property			25,000	0	25,000	0
								333,674	10,097

\* A retainer of \$218,771.96 paid to MSB on behalf of the Debtor and the 25 related Bankruptcies is fully utilized.

In re: HMOB of Hackensack Office Owner, LLC  
DebtorCase No. 20-12555  
Reporting Period: May 1, 2021 - May 31, 2021**STATEMENT OF OPERATIONS**

(Income Statement)

The Statement of Operations is to be prepared on an accrual basis. The accrual basis of accounting recognizes revenue when it is realized and expenses when they are incurred, regardless of when cash is actually received or paid.

<b>REVENUES</b>	<b>Month</b>	<b>Cumulative Filing to Date</b>
Gross Revenues	\$	\$
Less: Returns and Allowances		
Net Revenue	\$	\$
<b>COST OF GOODS SOLD</b>		
Beginning Inventory		
Add: Purchases		
Add: Cost of Labor		
Add: Other Costs (attach schedule)		
Less: Ending Inventory		
Cost of Goods Sold		
Gross Profit		
<b>OPERATING EXPENSES</b>		
Advertising		
Auto and Truck Expense		
Bad Debts		
Contributions		
Employee Benefits Programs		
Insider Compensation*		
Insurance		
Management Fees/Bonuses		
Office Expense		
Pension & Profit-Sharing Plans		
Repairs and Maintenance		
Rent and Lease Expense		
Salaries/Commissions/Fees		
Supplies		
Taxes - Payroll		
Taxes - Real Estate		
Taxes - Other		
Travel and Entertainment		
Utilities		
Other (attach schedule)		
Total Operating Expenses Before Depreciation		
Depreciation/Depletion/Amortization		
Net Profit (Loss) Before Other Income & Expenses		
<b>OTHER INCOME AND EXPENSES</b>		
Other Income (attach schedule)		
Interest Expense		
Other Expense (attach schedule)		
Net Profit (Loss) Before Reorganization Items		
<b>REORGANIZATION ITEMS</b>		
Professional Fees		
U. S. Trustee Quarterly Fees		
Interest Earned on Accumulated Cash from Chapter 11 (see continuation sheet)		
Gain (Loss) from Sale of Equipment		
Other Reorganization Expenses (attach schedule)		
Total Reorganization Expenses		
Income Taxes		
Net Profit (Loss)	\$	\$

\*"Insider" is defined in 11 U.S.C. Section 101(31).

## Footnotes:

\* All revenues and expenses related to "HMOB of Hackensack Office Owner, LLC" will be reflected by "Hajjar Medical Office Building of Hackensack, LLC", the corresponding Operating Debtor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

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## STATEMENT OF OPERATIONS - continuation sheet

BREAKDOWN OF "OTHER" CATEGORY	Month	Cumulative Filing to Date
<b>Other Costs</b>		
<b>Other Operational Expenses</b>		
<b>Other Income</b>		
<b>Other Expenses</b>		
<b>Other Reorganization Expenses</b>		

**Reorganization Items - Interest Earned on Accumulated Cash from Chapter 11:**

Interest earned on cash accumulated during the chapter 11 case, which would not have been earned but for the bankruptcy proceeding, should be reported as a reorganization item.

In re: HMOB of Hackensack Office Owner, LLC  
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Reporting Period: May 1, 2021 - May 31, 2021**BALANCE SHEET**

The Balance Sheet is to be completed on an accrual basis only. Pre-petition liabilities must be classified separately from postpetition obligations.

ASSETS	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>CURRENT ASSETS</b>		
Unrestricted Cash and Equivalents		
Restricted Cash and Cash Equivalents (see continuation sheet)		
Accounts Receivable (Net)		
Notes Receivable		
Inventories		
Prepaid Expenses		
Professional Retainers		
Other Current Assets (attach schedule)		
<b>TOTAL CURRENT ASSETS</b>	\$ -	\$ -
<b>PROPERTY AND EQUIPMENT</b>		
Real Property and Improvements	\$ 1,542,338	\$ 1,542,338
Machinery and Equipment		
Furniture, Fixtures and Office Equipment		
Leasehold Improvements		
Vehicles		
Less Accumulated Depreciation		
<b>TOTAL PROPERTY &amp; EQUIPMENT</b>	\$ 1,542,338	\$ 1,542,338
<b>OTHER ASSETS</b>		
Loans to Insiders*		
Other Assets (attach schedule)		
<b>TOTAL OTHER ASSETS</b>	\$ -	\$ -
<b>TOTAL ASSETS</b>	\$ 1,542,338	\$ 1,542,338

LIABILITIES AND OWNER EQUITY	BOOK VALUE AT END OF CURRENT REPORTING MONTH	BOOK VALUE ON PETITION DATE
<b>LIABILITIES NOT SUBJECT TO COMPROMISE (Postpetition)</b>		
Accounts Payable		
Taxes Payable (refer to FORM MOR-4)		
Wages Payable		
Notes Payable		
Rent / Leases - Building/Equipment		
Secured Debt / Adequate Protection Payments		
Professional Fees		
Amounts Due to Insiders*		
Other Postpetition Liabilities (attach schedule)		
<b>TOTAL POSTPETITION LIABILITIES</b>	\$ -	\$ -
<b>LIABILITIES SUBJECT TO COMPROMISE (Pre-Petition)</b>		
Secured Debt	\$ 81,000,000	\$ 81,000,000
Contra Debt Account (Sale of Wayne Property)*	\$ (11,395,033)	\$ -
Priority Debt		
Unsecured Debt		
<b>TOTAL PRE-PETITION LIABILITIES</b>	\$ 69,604,967	\$ 81,000,000
<b>TOTAL LIABILITIES</b>	\$ 69,604,967	\$ 81,000,000
<b>OWNER EQUITY</b>		
Capital Stock		
Additional Paid-In Capital		
Partners' Capital Account		
Owner's Equity Account		
Retained Earnings - Pre-Petition	\$ (79,457,662)	\$ (79,457,662)
Retained Earnings - Postpetition	\$ 11,395,033	
Adjustments to Owner Equity (attach schedule)		
Postpetition Contributions (Distributions) (Draws) (attach schedule)		
<b>NET OWNER EQUITY</b>	\$ (68,062,629)	\$ (79,457,662)
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>	\$ 1,542,338	\$ 1,542,338

\* "Insider" is defined in 11 U.S.C. Section 101(31).

## Footnotes:

\* "HMOB of Hackensack Office Owner, LLC" (the "Debtor") and twenty five other Hajjar related entities (the Debtors") filed for bankruptcy on February 13 and February 14, 2020. The Debtors have been allocated into two Debtors groups, the Owner Debtors and the Operating Debtors. "HMOB of Hackensack Office Owner, LLC" is considered one of the Owner Debtors.

\* "HMOB of Hackensack Office Owner, LLC" maintains no separate individual bank accounts.

\* The Schedules of Assets and Liabilities and Statement of Financial Affairs filed by the Debtor reflected the appraised value of the real property owned by the Debtor at the petition date and a Cross-Collateralized loan related to the Debtors of \$81,000,000. For all the Owner Debtors the total amount of the collateralized loan will be reflected on each of the Owner Debtors' operating reports. At the point in time a property is sold the Debtors and the Lender will agreed upon an allocation of the loan to the specific Debtors. Additionally, the value of the property and improvements above is the cost amount less accumulated depreciation at the petition date. The accumulated depreciation from the petition date through May 31, 2021 was \$82,321. Previous operating reports listed the appraised value from the Statement of Financial Affairs filed by the Debtor. Further, at a point in time a property is sold, the Debtor will perform an update of accumulated depreciation for tax purposes. The difference between the Debtors assets and liabilities at the petition date will be reflected as Retained Earnings - Pre-Petition.

\* All revenues and expenses related to "HMOB of Hackensack Office Owner, LLC" will be reflected by "Hajjar Medical Office Building of Hackensack, LLC", the corresponding Operating Debtor. Any Cross-Collateralized loan related charges will be reflected by the related Operating Debtors.

\* The Debtor maintains no employees.

\* Additionally, there is a Mezzanine Loan of \$10,000,000 outstanding to Natixis Real Estate Capital, LLC. This loan does not encumber any of the Debtors.

\* During the month of September, the Debtor sold the Wayne property resulting in a payment of approximately \$11,395,000 to Wilmington Trust, the holder of the secured note payable. The total debt of \$81 Million noted above is a cross-collateralized loan related to all of the Debtors, therefore a contra debt account is shown, equaling the total payment from the sale of the Wayne property which will offset the debt. At a time when a reconciliation is received from the Secured Note Holder, indicating the amount that is being applied toward interest and other related expenses and toward the principal loan balance the operating reports will be updated.

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[illegible]

Restricted Cash is cash that is restricted for a specific use and not available to fund operations. Typically, restricted cash is segregated into a separate account, such as an escrow account.



In re: HMOB of Hackensack Office Owner, LLC  
DebtorCase No. 20-12555  
Reporting Period: May 1, 2021 - May 31, 2021**STATUS OF POSTPETITION TAXES**

The beginning tax liability should be the ending liability from the prior month or, if this is the first report, the amount should be zero.  
Attach photocopies of IRS Form 6123 or payment receipt to verify payment or deposit of federal payroll taxes.  
Attach photocopies of any tax returns filed during the reporting period.

	Beginning Tax Liability	Amount Withheld or Accrued	Amount Paid	Date Paid	Check No. or EFT	Ending Tax Liability
<b>Federal</b>						
Withholding						
FICA-Employee						
FICA-Employer						
Unemployment						
Income						
Other:						
Total Federal Taxes						
<b>State and Local</b>						
Withholding						
Sales						
Excise						
Unemployment						
Real Property						
Personal Property						
Other:						
Total State and Local						
<b>Total Taxes</b>						

**SUMMARY OF UNPAID POSTPETITION DEBTS**

Attach aged listing of accounts payable.

	Number of Days Past Due					Total
	Current	0-30	31-60	61-90	Over 90	
Accounts Payable						
Wages Payable						
Taxes Payable						
Rent/Leases-Building						
Rent/Leases-Equipment						
Secured Debt/Adequate Protection Payments						
Professional Fees						
Amounts Due to Insiders*						
Other:						
Other:						
<b>Total Postpetition Debts</b>						

Explain how and when the Debtor intends to pay any past-due postpetition debts.

\*"Insider" is defined in 11 U.S.C. Section 101(31).

Footnotes:

\* The Debtor maintains no employees.

In re: HMOB of Hackensack Office Owner, LLC  
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## ACCOUNTS RECEIVABLE RECONCILIATION AND AGING

Accounts Receivable Reconciliation		Amount
Total Accounts Receivable at the beginning of the reporting period		N/A <sup>1</sup>
+ Amounts billed during the period		
- Amounts collected during the period		
Total Accounts Receivable at the end of the reporting period		
Accounts Receivable Aging		Amount
0 - 30 days old		N/A <sup>1</sup>
31 - 60 days old		
61 - 90 days old		
91+ days old		
Total Accounts Receivable		
Amount considered uncollectible (Bad Debt)		
Accounts Receivable (Net)		

## DEBTOR QUESTIONNAIRE

Must be completed each month	Yes	No
1. Have any assets been sold or transferred outside the normal course of business this reporting period? If yes, provide an explanation below.		X
2. Have any funds been disbursed from any account other than a debtor in possession account this reporting period? If yes, provide an explanation below.	N/A <sup>1</sup>	
3. Have all postpetition tax returns been timely filed? If no, provide an explanation below.	N/A <sup>1</sup>	
4. Are workers compensation, general liability and other necessary insurance coverages in effect? If no, provide an explanation below.	N/A <sup>1</sup>	
5. Has any bank account been opened during the reporting period? If yes, provide documentation identifying the opened account(s). If an investment account has been opened provide the required documentation pursuant to the Delaware Local Rule 4001-3.	N/A <sup>1</sup>	

## Footnotes:

<sup>1</sup> All revenues and expenses related to "HMOB of Hackensack Office Owner, LLC" will be reflected by "Hajjar Medical Office Building of Hackensack, LLC", the corresponding Operating Debtor. Any Cross-Collateralized loan related charges will be reflected by the related Operating